CDBG-R SUBMISSION TEMPLATE & CHECKLIST

The American Recovery and Reinvestment Act of 2009 ("Recovery Act") was signed into law by President Obama on February 17, 2009. The Recovery Act awards \$1 billion in CDBG Recovery (CDBG-R) funds to be distributed to cities, counties, insular areas and states, of which \$10 million has been reserved by HUD for its administrative costs and \$10 million of which will be awarded to Indian tribes. Recipients of the remaining \$980 million of CDBG-R funds will be the approximately 1,200 jurisdictions that received CDBG funding in Fiscal Year 2008. This template sets forth the suggested format for grantees receiving funds from CDBG-R. A complete submission contains the information requested below, including:

- (1) The CDBG-R Substantial Amendment (template attached below)
- (2) Spreadsheet for Reporting Proposed CDBG-R Activities (see http://www.hud.gov/recovery)
- (3) Signed and Dated Certifications (see http://www.hud.gov/recovery)
- (4) Signed and Dated SF-424.

<u>Grantees should also attach a completed CDBG-R Substantial Amendment Checklist to ensure completeness and efficiency of review</u> (attached below).

THE CDBG-R SUBSTANTIAL AMENDMENT

Jurisdiction(s): State of Montana CDBG-R Contact Person: Karyl Tobel, Section Manager, Commerce Loan Fund; and Gus Byrom, CDBG Program Manager, Jurisdiction Web Address: Public Facilities and Housing Address: 301 South Park Avenue http://commerce.mt.gov/ Helena, MT 59620 Telephone: (406) 841-2733 – Tobel (406) 841-2777 - Byrom Fax: (406) 841-2731 Email: karylt@mt.gov gbyrom@mt.gov

ENSURING RESPONSIBLE SPENDING OF RECOVERY ACT FUNDS

Funding available under the Recovery Act has clear purposes – to stimulate the economy through measures that modernize the Nation's infrastructure, improve energy efficiency, and expand educational opportunities and access to health care. HUD strongly urges grantees to use CDBG-R funds for hard development costs associated with infrastructure activities that provide basic services to residents or activities that promote energy efficiency and conservation through rehabilitation or retrofitting of existing buildings. While the full range of CDBG activities is available to grantees, the Department strongly suggests that grantees incorporate consideration of the public perception of the intent of the Recovery Act in identifying and selecting projects for CDBG-R funding.

A. SPREADSHEET FOR REPORTING PROPOSED CDBG-R ACTIVITIES

Grantees must provide information concerning CDBG-R assisted activities in an electronic spreadsheet provided by HUD. The information that must be reported in the spreadsheet includes activity name, activity description, CDBG-R dollar amount budgeted, eligibility category, national objective citation, additional Recovery Act funds for the activity received from other programs, and total activity budget. An electronic copy of the spreadsheet and the format is available on HUD's recovery website at http://www.hud.gov/recovery.

B. CDBG-R Information by Activity (Complete for Each activity)

(1) <u>Activity Name</u>: (Grantees should follow the same order that activities are listed in the Spreadsheet for Reporting Proposed CDBG-R Activities – this will allow HUD to easily match activity narratives with the information provided in the spreadsheet.)

FFY 2008 State of Montana Substantial Amendment Community Development Block Grant Recovery (CDBG-R).

The CDBG Economic Development Program intends to use \$1,525,862.27 of CDBG-R funds for economic development activities. \$1,370,889.33 for projects and \$124,310.16 for administration will be made available to local governments for assistance to timber related and wood product industries that have been affected by the current recession, and \$30,662.78 to be used for CDBG program administration at the state level. The Montana Department of Commerce will use its normal distribution plan and thresholds for these funds. No more than 15% (\$224,279) will be used for public services, specifically, job training grants. A minimum of 70% of activity funds will benefit low and moderate income persons.

CDBG-R funds will be one of three funding sources under a new Montana Department of Commerce program callled "Montana Distressed Wood Products Industry Recovery and Stabilization (WPIRS) Program. The WPIRS program will be comprised of 3 funding sources, CDBG-R (CDBG WPIRS), U.S. Economic Development Adminstration (EDA WPIRS), and state general fund (State WPIRS). These funding sources can provide financing independently or jointly to assist Montana businesses maintain or expand operations.

All funding assistance will be to create or retain critical jobs in businesses that have suffered due to the downturn of the demand for wood products. It is estimated that CDBG-R funding, along with other departmental funding will secure an estimated 1,200 jobs in those businesses that have been hardest hit through the recession. The Department anticipates that the CDBG-R funding alone, will help retain at least 100 jobs in the timber and wood product industries.

Due to the critical financial needs that these businesses have, funding would be distributed immediately upon availability of funding, to the State's grantees, well within the 120 day period for "ready-to-go", priority projects. Providing assistance will promote economic development recovery and stabilization in those cities, towns, and counties most affected by job and business losses. CDBG-R investment will in turn, help provide long-term benefits to low and moderate income persons who hold the majority of the

jobs in the wood and timber related industries. Providing funding to these businesses will help prevent the reduction or elimination of essential timber services. The elimination of one sawmill has a negative economic impact not only on the saw mill but local loggers, lumber supply stores, the construction community, local tax base, housing market, school enrollment and retail community.

The CDBG Public Facilities and Housing Program intends to use \$304,014.73 of CDBG-R funds for a public facility activity; \$276,000 for the project and 22,080 for administration will be made available to Judith Basin County to construct an essential services facility. \$5,934.73 will be available for CDBG program administration- Community Development Division.)

Specifically, this project will construct an essential services facility in the community of Geyser to be used by the Judith Basin County Volunteer Fire Department. The facility is estimated to be 40' by 110' with five bays, consisting of a heated, pre-engineered metal facility with one bathroom and would be located on four lots owned by Judith Basin County (Lots 5 and 6 of Block One of the Original Townsite and Lots 15 and 16 of Block One of the First Addition).

The facility would be connected to sewer and water provided by the Geyser Sewer and Water District. The facility would house three fire trucks, one ambulance, an extrication vehicle, and essential services equipment owned by Judith Basin County.

CDBG-R Funding Summary

Community Development	Division (CDD) Project Funding Project Administration CDD Administration	\$276,000.00 \$22,080.00 \$5,934.73
		\$304,014.73
Business Resources Divis	sion	
	Project Funding	\$1,370,889.33
	Project Administration	\$124,310.16
	BRD Administration	\$30,662.78
		\$1,525,862.27
Total Project Funding	90.0%	\$1,646,889.33
Total Administrative Fund	ing 10.0%	\$182,987.67
Total CDBG-R Funding		\$1,829,877.00

(2) Activity Narrative:

In addition to the Spreadsheet for Reporting Proposed CDBG-R Activities, grantees must provide a narrative for each activity describing how the use of the grantee's CDBG-R funds will

meet the requirements of Title XII of Division A and Section 1602 of ARRA. The grantee's narrative must also state how CDBG-R funds will be used in a manner that maximizes job creation and economic benefit in relation to the CDBG-R funds obligated, and will address the Recovery Act, by:

- Preserving and creating jobs and promoting economic recovery;
- Assisting those most impacted by the recession:
- Providing investment needed to increase economic efficiency;
- Investing in transportation, environmental protection, or other infrastructure that will provide long-term economic benefits;
- Minimizing or avoiding reductions in essential services; or
- Fostering energy independence.

CDBG Economic Development Program

The CDBG WPIRS program will address the requirements of Title XII of Division A and Section 1602 of ARRA by the following:

Preserving and creating jobs and promoting economic recovery

It is estimated that between 1,200 and 1,600 jobs held in Montana's timber and wood product industry related businesses are at risk due to the downturn in the demand for wood products. Many of Montana's saw mills, plywood plants, paper and linerboard manufacturers, bark and byproducts-related businesses, round wood producers, wood chip producers, loggers, log haulers, biochar and biomass producers, and other manufacturers and processors of wood products have had to reduce workforces, scale back services, or close operations for specific periods of time while the construction industry is in a slump. CDBG-R investment will help struggling companies maintain operations, hire back laid-off employees, retain existing employees, and have working capital to provide normal services.

• Assisting those most impacted by the recession

Montana wood product and timber related businesses have been hardest hit by the recession due to the downturn in the construction industry, specifically new home building efforts. State-wide, those related businesses impacted by the reduced demand for wood products, employ around 9,000 people, of which most are low and moderate income jobs.

Management of Montana's forested lands is highly dependent upon the various forest products industry sectors. Unlike several of the states in the southern Rocky Mountains, Montana still has the capacity and capability within the sectors of the forest products industry necessary to support forest management activities at the landscape level. These sectors plan and conduct forest management activities, harvest and haul timber, process logs into finished products, and utilize mill residuals.

Montana's forest products industry is highly integrated, with individual sectors relying on other sectors as well as on timber from Montana's forested landscape. For example, the forestry and logging sector is dependent not only on an available supply of timber, but also on having sufficiently sized and diversified wood products and paper manufacturing sectors to purchase and utilize harvested trees. Likewise, wood products manufacturers, like sawmills and plywood plants, rely on the forestry and logging sector to harvest and deliver logs to the mills and count on the paper (linerboard) manufacturing and other components of the manufacturing sector (e.g., producers of particle board and medium-density fiberboard to purchase and utilize mill residuals (e.g., sawdust and clean chips).

The existing forest products industry in Montana makes it possible for both public and private landowners to achieve broad land management goals (e.g., fire hazard reduction, ecosystem restoration, watershed protection, post-fire rehabilitation, wildlife and fish habitat restoration, recreation enhancement and revenue generation) by purchasing timber from forest landowners. In short, the sustainability of Montana's forests is dependent on the existence of the state's integrated industry which both supports and relies on a highly-skilled workforce.

Providing investment needed to increase economic efficiency

CDBG-R investment would also indirectly benefit a much larger portion of the state's forest products industry because of the integrated and inter-dependent nature of the industry. For example, the linerboard, MDF, and particleboard facilities—that rely on the sawmills and plywood plants for mill residuals and employ upwards of 800 Montanans—would benefit because their raw material suppliers would remain viable. These 800 employees account for another \$50 to \$55 million in labor income. Likewise, loggers and trucking firms—that harvest and transport logs and mill outputs and employ well over 2,000 people throughout the state—would benefit by the retention of purchasers for the logs and transportation services they provide. These 2,000-plus employees represent \$80 to \$85 million in labor income.

Ultimately, public and private forest landowners and the forest dependent-communities, with tens of thousands of citizens throughout Montana, would benefit from retention of the integrated industry that provides revenue and the ability to manage forests within the state. Retention of the industry will also enhance private landowners' ability to maintain their forested lands as forests, rather than having to sell, sub-divide, or convert the land to developed uses.

• Investing in transportation, environmental protection, or other infrastructure that will provide long-term economic benefits

The State of Montana needs to implement an economic development strategy to retain its forest products industry. This strategy is needed to include immediate actions to insure that the State's infrastructure is retained, and long-term actions taken to address critical need to increase the availability of timber and wood fiber from its National Forests from a current harvest level of approximately 90 million board feet (MMBF) in 2007 to an economically and ecologically sustainable level of 300 MMBF by 2011.

Montana's forests are a precious asset for the State. They are a key component in any definition of "quality of life". They are also important natural resources that support the State's wood products industry, water quality, and wildlife, and as such, they are vital to the State's tourism and recreation industries. Excluding forest lands that are reserve by statute, or administrative designation, there are about 19.8 million acres of "non-reserved timberland" in Montana that are available for timber harvest. Of that total, the State owns 683 thousand acres, or 3.4 percent.

CDBG-R investment would help reduce operating costs for timber harvesting contractors and wood product manufacturers, increase volume of timber and other fiber harvested from State forest lands, and secure the release of timber from federal lands with timber sales currently in litigation.

Minimizing or avoiding reductions in essential services

Direct employment in the harvesting and processing of timber and manufacturing of wood and paper products in Montana has declined sharply since 2005, following trends in U.S. home-building, domestic lumber consumption, and in-state timber harvest. In 2005, employment was approximately 10,500; while

the 2008 figure is estimated to be about 9,100 workers. Wood products and paper manufacturing employment—at sawmills, plywood plants, linerboard and reconstituted panel mills, log home facilities, post and pole yards, log furniture manufacturers, and various other facilities—are the largest component of the forest products industry, accounting for more than 5,000 (56 percent of) employees in the forest products industry. Employment in forestry and logging accounts for another 2,000-plus (22 percent of) employees in Montana's forest products industry.

Worker earnings (in constant 2008 dollars) from the harvesting and processing of timber and manufacturing of wood and paper products in Montana have also declined since 2005. In 2005, worker earnings were slightly more than \$451 million; while the 2008 figure is estimated to be about \$380 million. Wood products and paper manufacturing account for about 66 percent of labor income in the forest products industry. Forestry and logging accounts for another 20 percent of the forest products industry total.

It goes without saying that a loss of jobs in the timber and wood product industry would reduce or eliminate critical services for forest related economic development, transportation, new construction, biomass development, and other related commerce.

Fostering energy independence.

CDBG-R investment could encourage struggling wood and timber related businesses to explore other product lines until the current recession is over and the economy picks-up. Other related product lines could include the development of biomass and bio-fuels or other energy efficient services that would allow for greater energy independence in Montana.

CDBG Public Facilities and Housing

• Preserving and creating jobs and promoting economic recovery; Providing investment needed to increase economic efficiency;

The Geyser Essential Services Facility sponsored by Judith Basin County is critical to the existing and expanding economic opportunities of the region, principally for persons of low and moderate income as well as to the entire community.

Businesses will be reluctant to remain operating or to locate within Geyser and Judith Basin County without adequate fire protection. Insurance rates will also significantly impact their profitability. Persons of low and moderate income rely on jobs within the community to sustain their households and provide a means to survive. They also need assurance of adequate fire protection and quick response times in case of an emergency. Residents are financially impacted by insurance rates on their personal property or their landlord's insurance rates being passed on to them through rental fees.

The proposed Geyser project is directly related to the expansion and improvement of the quantity and quality of community services, principally for persons of low and moderate income, which are essential to preserve and create jobs and for the overall development of viable communities.

Assisting those most impacted by the recession;

The current economic recession especially impacts small, rural communities which were already struggling with the lack of economic development even before the recession occurred.

Fire service is one community service desperately needed by low and moderate income residents, especially in a rural county like Judith Basin. Low and moderate income residents find themselves living or working in unsafe conditions, especially sub-standard housing with potential for fire hazards. In 2002, a community-wide income survey documented the community of Geyser to be 70 percent low and moderate income (LMI). These LMI residents depend on emergency services and personnel who will be able to respond when a fire occurs. The fire service personnel are the first responders in rural communities and respond to all types of emergencies, including medical, fire, personal assistance, vehicle accidents, and general distress calls.

• Providing investment needed to increase economic efficiency:

This project will provide a long-term solution to Judith Basin County and the town of Geyser's essential service facility needs within the region. Currently, there is a serious deficiency with inadequate storage for vehicles creating an inability to respond in a timely manner or at all when the weather conditions are extreme. Fire service is a basic safety need for all residents and businesses within any community. Without fire service, businesses are resistant to operate in the area and residents are impacted by a lack of jobs and personal safety issues.

• Investing in transportation, environmental protection, or other infrastructure that will provide long-term economic benefits;

The proposed Geyser project is directly related to assisting_communities in providing appropriate and long-term solutions to serious deficiencies in basic infrastructure which are detrimental to the public health and safety and detract from further community development, or which are necessary to meet other essential community needs; 100% of the Geyser unincorporated area will be assisted through this project. CDBG funds will reduce any costs that county residents will need to pay in order to construct a new essential services facility. This project has far-reaching implications and benefits. A broader community of residents in neighboring counties will indirectly benefit by this project as they will be able to receive assistance from the Geyser facility based upon the Judith Basin County Fire Department Memorandum of Understanding when requested.

Minimizing or avoiding reductions in essential services; or

Emergency services are always a problem requiring immediate attention. If an entity is not able to respond quickly in a timely manner, lives and property are subject to be lost.

Currently, the volunteer department has a building that is able to house four response vehicles end to end (two bays). Often an ambulance or extrication vehicle has to be moved before a fire vehicle is able to respond to an emergency or vice versa. In the winter, one fire truck must be drained and left outside in an unsecured manner in order to house the ambulance. In the summer, the two fire trucks are housed in the building and the ambulance remains parked outside in an unsecured manner. When vehicles are parked outside, they are subject to vandalism or harsh weather. The existing building is located on lots within Geyser adjacent to a secondary highway. In order for the volunteers to park the emergency vehicles within the facility, they must be maneuvered crosswise in the secondary highway and back up hill into the facility, creating a traffic hazard. There is no room for expansion at this building site. A portion of the building is built on 4 ft. centers and is becoming unstable. The existing building is adjacent to a tavern. Patrons frequently park in front of the fire hall blocking the exit doors.

According to the Bureau of Economic Analysis Judith Basin County had a per capita personal income of \$17,687 in 2000, which ranked 43rd out of 56 counties in the State of Montana. According to the U.S. Bureau of Census in 2000, 14.6% of the households made less than \$10,000, 10.7 percent made \$10,000 to \$14,999, and 19.7% made \$15,000 to \$24,999.

• Fostering energy independence.

Judith Basin covers a region 1,869.85 square miles with a population of 2,329. The region is characterized by many windy days, very cold arctic air in the winter, and changes of up to 80 degrees over a 24-hour period. The latest energy conservation techniques will be incorporated into the design of the proposed facility.

(3) <u>Jobs Created:</u> (Report the number of full- and part-time jobs estimated to be created and retained by the activity (including permanent, construction, and temporary jobs)).

CDBG Economic Development

It is anticipated that with CDBG-R funding participation through the WPIRS program, an estimated 1,200 full time jobs will be retained, restored, or created as a result of grant and loan financing. The Department anticipates that through CDBG-R financing alone, 100 jobs will be retained in the timber and wood product industries.

CDBG Public Facilities and Housing

All volunteer staff serves as ambulance responders and fire fighters.

(4) <u>Additional Activity Information:</u> (A description of how the activity will promote energy conservation, smart growth, green building technologies, or reduced pollution emissions, if applicable.)

Public Services will not be an eligible activity for CDGB-R.

CDBG Economic Development

CDBG-R investment would help reduce operating costs for timber harvesting contractors and wood product manufacturers, increase volume of timber and other fiber harvested from State forest lands, and secure the release of timber from federal lands with timber sales currently in litigation. Retention of the industry will also enhance private landowners' ability to maintain their forested lands as forests, rather than having to sell, sub-divide, or convert the land to developed uses.

CDBG Public Facilities and Housing

Overall, the new proposed Geyser essential services facility will constitute a critical part of the vital services and facilities needed by the residents of Geyser and the surrounding area of Judith Basin County.

(5) <u>Responsible Organization</u>: (Contact information for the organization that will implement the CDBG-R activity, including its name, location, and administrator contact information)

CDBG Economic Development

Karyl Tobel, Section Manager, Commerce Loan Fund Montana Department of Commerce 301 South Park Avenue Helena, MT 59620 Phone: (406) 841-2733 Email: <u>karylt@mt.gov</u>

Gary Morehouse, Assistance Division Administrator

Montana Department of Commerce

301 South Park Avenue Helena, MT 59620 Phone: (406) 841-2732

Email: gmorehouse@mt.gov

Gus Byrom, CDBG Program Manager – Housing and Public Facilities

Montana Department of Commerce 301 South Park Avenue Helena, MT 59620

Phone: (406) 841-2777 Email: gbyrom@mt.gov

C. PUBLIC COMMENT

Provide a summary of public comments received to the proposed CDBG-R Substantial Amendment.

Note: A Proposed CDBG-R Substantial Amendment must be published via the usual methods and posted on the jurisdiction's website for no less than 7 calendar days for public comment.

Response:

Written Comments Received:

Lyle W. Phillips President and CEO of Montana West Economic Development: Expressed support for the amendment and CDBG-R. Commented dollars will benefit Montanans in many ways and is looking forward to seeing the positive results of the program.

Public Hearing Comments Received:

The Public Hearing was published in newspapers across the state as well as on our agency website for over 7 days notice. The hearing was held June 11, 2009 in our conference room with agency staff and one other participant attending. There were no comments made but all questions of the participant were answered.

CDBG-R Substantial Amendment Grantee Checklist

For the purposes of expediting review, HUD asks that applicants submit the following checklist along with the CDBG-R Substantial Amendment, Spreadsheet for Reporting Proposed CDBG-R Activities, and SF-424.

Contents of a CDBG-R Action Plan Substantial Amendment

CDBG-R Contact Person: Karyl Tobel,

Section Manager, Commerce Loan Fund:

Jurisdiction(s): State of Montana

Jurisdiction Web Address:

Lead Agency Department of Commerce

Jurisdiction Web Address:	and Gus Byrom, CDBG Program Manager,
http://commerce.mt.gov/	Public Facilities and Housing
	Address: 301 South Park Avenue
	Helena, MT 59620
	Telephone: (406) 841-2733 – Tobel
•	(406) 841-2777 - Byrom
	Fax: (406) 841-2731
	Email: <u>karylt@mt.gov</u>
	gbyrom@mt.gov
The elements in the substantial amendment	required for the CDBG recovery funds are
	The second of the experience of the second s
A. SPREADSHEET FOR REPORTING PROPOS	SED CDBG-R ACTIVITIES
Activities?	f the Spreadsheet for Reporting Proposed CDBG-R
Yes⊠ No Verification fo	ound on page 15
The state of the s	74114 011 page <u>15</u>
Does the submission include an electronic vo	ersion of the Spreadsheet for Reporting Proposed
CDBG-R Activities sent to the email box CI	OBG-R@hud.gov?
Date Spreadsn	neet was emailed: <u>6/17/09</u>
Does the Spreadsheet for Reporting Propose	d CDBG-R Activities include, for each activity:
	ctivity, including CDBG-R funds, any additional Recovery
Funds used and total activity budget,	ctivity, including CDBG-R lunds, any additional Recover
	ound on page(s) 15
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• the CDI Yes⊠	BG national o No⊡	objective citation, Verification found on p	page(s) <u>15</u>		
B. CDBG-R IN	NFORMATION	BY ACTIVITY			
Does the submi	ission contair	n information by activity	describing how the	grantee will u	se the funds,
● a narrat maximi Yes⊠	zes job creati	activity describing how Coion and economic benefit Verification found on p	,	be used in a n	nanner that
projecteYes⊠	ed number of No	jobs created for each acti Verification found on p			
• whether Yes⊠	an activity v	vill promote energy effic Verification found on p	iency and conserva page(s) <u>9</u>	ition,	
• the nam Yes⊠	e, location, a No[]	nd contact information fo Verification found on p	or the entity that wind bage(s) 9-10	ill carry out the	e activity,
• evidence planning	e that no mor	re than 10% of the grant a	nmount will be spen	nt on administ	ration and
Yes 🔀		Verification found on p	page (s) <u>3-4</u>		
• evidence Yes 🔀	e that no mor No∏	re than 15% of the grant a Verification found on p	amount will be sper page (s) <u>9</u>	nt on public se	rvices,
• evidence Yes ⊠	e that at least No∏	70% of the grant amount Verification found on p	t will benefit perso age (s) <u>3-8</u>	ns of low and	moderate income,
the Internet for	ed action pla no less <u>th</u> an '	n amendment published v 7 calendar days of public	comment?	's usual metho	ds and on
Yes⊠	No	Verification found on p	age(s) 11		
Is there a summ Yes⊠	ary of citizer No⊡	n comments included in the Verification found on p		t?	
D. CERTIFICATE The following c		are complete and accurat	e:		
(2) Anti-displace(3) Drug-free W(4) Anti-lobbyin	Vorkplace ng f jurisdiction	fair housing location plan	Yes [Yes] Yes [Yes] Yes [No	

(7)	Section 3	Yes 🔀	No
(8)	Community development plan	Yes 🕅	No
(9)	Following a plan	Yes 🔀	No
(10)	Use of Funds	Yes 🔀	No
(11)	Excessive Force	Yes 🔀	No
(12)	Compliance with anti-discrimination laws	Yes \overline	No
(13)	Lead-based paint procedures	Yes \overline	No
(14)	Compliance with laws	Yes 🔀	No
(15)	Compliance with ARRA	Yes 🔯	No
	Project selection	Yes 🔯	No
(17)	Timeliness of infrastructure investments	Yes 🔯	No
(18)	Buy American provision	Yes 🔯	No□
(19)	Appropriate use of funds for infrastructure investments	Yes 🔯	No
(20)	70% of CDBG-R for LMI	Yes 🔯	No 🗌
•	onal Certification		
(21)	Urgent Need	Yes 🔀	No 🗌
D. S	TATE CERTIFICATIONS		
The	following certifications are complete and accurate:		
	Affirmatively furthering fair housing	Yes 🔀	No
	Anti-displacement and relocation plan	Yes 🔀	No 🗌
	Drug-free Workplace	Yes 🔀	No
	Anti-lobbying	Yes 🔀	No
	Authority of State	Yes 🔀	No
	Consistency with plan	Yes 🔀	No
` /	Section 3	Yes 🔀	No 🗌
	Community development plan	Yes 🔀	No[
	Consultation with Local Governments	Yes 🔀	No 🗌
• •	Use of Funds	Yes 🔀	No
	Excessive Force	Yes 🔀	No[
(12)	Compliance with anti-discrimination laws	Yes 🔀	No
	Compliance with laws	Yes 🔀	No[
	Compliance with ARRA	Yes 🔀	No 🗌
` '	Project selection	Yes 🔀	No
	Timeliness of infrastructure investments	Yes 🔀	No
	Buy American provision	Yes 🔀	No
(18)	Appropriate use of funds for infrastructure investments	Yes 🔯	No
(19)	70% of CDBG-R for LMI	Yes 🔯	No
Optio	onal Certification		
(20)	Urgent Need	Yes 🗌	No⊠

CDBG-R Activity Data Spreadsheet

Jurisdiction/Grantee Name: State of Montana	State of Montana	CDBG-R Fomula G	CDBG-R Fomula Grant Amount: \$1,829,877 Eligibility National CD	9,877	Additional	Date: June 17, 2009 Other 7
Activity Name	Activity Description	(Regulatory or HCDA Citation)	National Objective Citation	CDBG-R Project Budget (\$)	Additional Recovery Funds (\$)	Other Leveraged Funding (\$)
Community Development Block Grant Program	Economic Development Projects	Section 105(a)(17)	LMI Benefit	1,525,862	2,700,000	7,500,000
Community Development Block Grant Program	Community Development Project	Section 105(a)(2)	LMI Benefit	\$304,015	\$0	
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STATE CERTIFICATIONS

- (1) Affirmatively furthering fair housing. The State will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the state, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.
- (2) Anti-displacement and relocation plan. The jurisdiction will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24; and it has in effect and is following a residential anti-displacement and relocation assistance plan required under section 104(d) of the housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under CDBG-R.
- (3) **Drug Free Workplace.** The jurisdiction will or will continue to provide a drug-free workplace by:
 - 1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - 2. Establishing an ongoing drug-free awareness program to inform employees about
 - (a) The dangers of drug abuse in the workplace;
 - (b) The grantee's policy of maintaining a drug-free workplace;
 - (c) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - 3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1;
 - 4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will -
 - (a) Abide by the terms of the statement; and
 - (b) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - 5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
 - 6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted:

- (a) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
- (b) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- 7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6.
- (4) Anti-lobbying. To the best of the State's knowledge and belief:
 - 1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
 - 2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
 - 3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.
- (5) **Authority of State**. The submission of the consolidated plan is authorized under State law and the State possesses the legal authority to carry out the programs under the consolidated plan for which it is seeking funding, in accordance with applicable HUD regulations.
- (6) Consistency with Plan. The housing activities to be undertaken with CDBG-R funds are consistent with its consolidated plan.
- (7) **Section 3**. The jurisdiction will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.
- (8) Community development plan. The jurisdiction certifies that the consolidated housing and community development plan identifies housing and community development needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objective of the statute authorizing the CDBG program.
- (9) Consultation with Local Governments. The state certifies that, for community development activities, it engages or will engage in planning; that it provides or will provide technical assistance to local governments; and that it will not refuse to distribute funds on the basis of the particular eligible activity selected by the local government to meet its community development needs, except that a State is not prevented from establishing priorities in distributing funding on the basis of the activities selected.

- (10) Use of funds. The jurisdiction has developed activities so as to give the maximum feasible priority to activities that will benefit low- and moderate-income families or aid in the prevention of slums or blight. Additional activities may be included that are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs

 It has complied with the following criteria:
 - 1. **Maximum Feasible Priority**. With respect to activities expected to be assisted with CDBG-R funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available);
 - 2. **Special Assessments.** The State will require units of general local government that receive CDBG-R funds to certify to the following:

The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG-R funds by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if CDBG-R funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with CDBG-R funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG-R funds. The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG-R funds, unless CDBG-R funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG-R funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG-R funds if the jurisdiction certifies that it lacks CDBG-R or CDBG funds to cover the assessment.

- (11) Excessive Force. The State will require units of general local government that receive CDBG-R funds to certify that they have adopted and are enforcing: (1) a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and (2) a policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location that is the subject of such non-violent civil rights demonstrations within its jurisdiction.
- (12) Compliance with anti-discrimination laws. The CDBG-R grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.
- (13) Compliance with laws. The jurisdiction will comply with applicable laws.

- (14) Compliance with ARRA. The jurisdiction will comply with Title XII of Division A of the American Recovery and Reinvestment Act of 2009.
- (15) **Project selection.** The jurisdiction will select projects to be funded, by giving priority to projects that can award contracts based on bids within 120 days from the date the funds are made available to the recipient, and that will ensure maximum job creation and economic benefit.
- (16) **Timeliness of infrastructure investments.** When the jurisdiction uses CDBG-R funds for infrastructure investments, the grantee will give preference to quick-start and finish activities, including a goal to use at least 50 percent of the funds for activities within 120 days of enactment of the Recovery Act.
- (17) **Buy American provision.** The jurisdiction will ensure that all iron, steel and manufactured goods used in construction, alteration, repair, or maintenance of a public building or public work project assisted with CDBG-R funds under the Recovery Act must be produced in the United States unless the Secretary finds that: (1) the requirement is inconsistent with public interest; (2) those goods are not reasonably available or produced in sufficient quantity in the U.S.; (3) or the use of the goods will increase the project cost by more than 25 percent.
- (18) **Appropriate use of funds for infrastructure investments.** The Governor, mayor, or other chief executive, as appropriate certifies, that any infrastructure investments have received the full review and vetting required by law and that the chief executive accepts responsibility that the infrastructure investment is an appropriate use of taxpayer dollars. Alternatively, a grantee's chief elected official certifies that infrastructure investments will receive the full review and vetting required by law and that the chief executive accepts responsibility that the infrastructure investment is an appropriate use of taxpayer dollars.
- (19) **70% of CDBG-R for LMI.** The aggregate use of CDBG-R funds shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the grant is expended for activities that benefit such persons over the life of the CDBG-R grant.

Signature/Authorized Official

June 17, 2009

Date

Anthony J. Preite Director

Montana Department of Commerce

Title

Application for Federal Assistar	nce SF-424	Version 02			
*1. Type of Submission:	*2. Type of Applicati	on * If Revision, select appropriate letter(s)			
☐ Preapplication	⊠ New				
	☐ Continuation	*Other (Specify)			
☐ Changed/Corrected Application	Revision				
3. Date Received: 4.	Applicant Identifier:				
5a. Federal Entity Identifier:		*5b. Federal Award Identifier:			
State Use Only:					
6. Date Received by State:	7. State Ap	plication Identifier:			
8. APPLICANT INFORMATION:					
*a. Legal Name: State of Montana	, .				
*b. Employer/Taxpayer Identification N 81-030240	Number (EIN/TIN):	*c. Organizational DUNS: 80-979-0579			
d. Address:					
*Street 1: <u>301 South I</u>	Park Avenue				
/ Street 2:					
*City: <u>Helena</u>					
County: <u>Lewis & Cla</u>	ırk				
*State: MT					
Province:					
*Country: <u>USA</u>					
*Zip / Postal Code <u>59601</u>	1				
e. Organizational Unit:					
Department Name:		Division Name:			
Montana Department of Commerce		1) Business Resources Div.; 2) Community Development Div.			
f. Name and contact information of person to be contacted on matters involving this application:					
Prefix: Middle Name:	*First Name: <u>1</u>) Karyl; 2) Gus			
*Last Name: 1) Tobel 2) Byrom Suffix:					
Title: 1) Section Manager;	2) Program Manager				
Organizational Affiliation:					
*Telephone Number: 1) 406-841-2733	3; 2) 406-841-2777	Fax Number: 1) 406-841-2731; 2) 406-841-2771			
*Email: 1) karylt@mt.gov; 2) gbyrom@	@mt.gov	,,			

Application for Federal Assistance SF-424	Version 02
*9. Type of Applicant 1: Select Applicant Type: A.State Government	
Type of Applicant 2: Select Applicant Type:	
Type of Applicant 3: Select Applicant Type:	
*Other (Specify)	
*10 Name of Federal Agency: U.S. Department of Housing & Urban Development	
11. Catalog of Federal Domestic Assistance Number:	
14-255	
CFDA Title:	
Community Development Block Grant - Recovery (CDBG-R)	
*12 Funding Opportunity Number:	
*Title:	
CDBG-R	
13. Competition Identification Number:	
Title:	
14. Areas Affected by Project (Cities, Counties, States, etc.):	
Statewide, except the Cities of Billings, Great Falls and Missoula	
*15. Descriptive Title of Applicant's Project:	
FFY 2008 State of Montana Substantial Amendment Community Developm	nent Block Grant Recovery (CDBG-R)
	(0000)

Application fo	or Federal Assistance SF-42	Version 02
16. Congressio	nal Districts Of:	
*a. Applicant: M	lontana	*b. Program/Project: All
17. Proposed F	Project:	
*a. Start Date: J	June 29, 2008	*b. End Date: September 20, 2012
18. Estimated F	unding (\$):	
*a. Federal	1,829,877	
*b. Applicant		
*c. State		
*d. Local		
*e. Other		
*f. Program Inco	ome	
*g. TOTAL	1,829,877	
*19. Is Applicat	tion Subject to Review By Stat	te Under Executive Order 12372 Process?
		e State under the Executive Order 12372 Process for review on
		not been selected by the State for review.
	is not covered by E. O. 12372	not been selected by the state for feview.
		eral Debt? (If "Yes", provide explanation.)
Yes	No.	sial Debt: (II Tes , provide explanation.)
with any resulting	complete and accurate to the bear g terms if I accept an award. I a	e statements contained in the list of certifications** and (2) that the statements st of my knowledge. I also provide the required assurances** and agree to comply m aware that any false, fictitious, or fraudulent statements or claims may subject (U. S. Code, Title 218, Section 1001)
★ I AGREE		
** The list of certi agency specific in	ifications and assurances, or an nstructions	internet site where you may obtain this list, is contained in the announcement or
Authorized Rep	resentative:	
Prefix:	Mr.	*First Name: Anthony
Middle Name:	<u>J.</u>	
*Last Name:	Preite	
Suffix:		
*Title: Director, N	Montana Department of Comme	тсе
*Telephone Numl	ber: 406-841-2700	Fax Number: 406-841-2701
* Email: tpreite@)mt.gov	
*Signature of Aut	horized Representative:	with I heat *Date Signed: 6/17/2009

Authorized for Local Reproduction

Standard Form 424 (Revised 10/2005)
Prescribed by OMB Circular A-102

Application for Federal Assistance SF-424	Version 02
*Applicant Federal Debt Delinquency Explanation The following should contain an explanation if the Applicant organization is delinquent of any Federal Debt.	
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	·

INSTRUCTIONS FOR THE SF-424

Public reporting burden for this collection of information is estimated to average 60 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0043), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

This is a standard form (including the continuation sheet) required for use as a cover sheet for submission of preapplications and applications and related information under discretionary programs. Some of the items are required and some are optional at the discretion of the applicant or the Federal agency (agency). Required items are identified with an asterisk on the form and are specified in the instructions below. In addition to the instructions provided below, applicants must consult agency instructions to determine specific requirements.

Item	Entry:	item	Entry:
**•	Type of Submission: (Required): Select one type of submission in accordance with agency instructions. Preapplication Application	10.	Name Of Federal Agency: (Required) Enter the name of the Federal agency from which assistance is being requested with this application.
	 Changed/Corrected Application – If requested by the agency, check if this submission is to change or correct a previously submitted application. Unless requested by the agency, applicants may not use this to submit changes after the closing date. 	11.	Catalog Of Federal Domestic Assistance Number/Title: Enter the Catalog of Federal Domestic Assistance number and title of the program under which assistance is requested, as found in the program announcement, if applicable.
2.	Type of Application: (Required) Select one type of application in accordance with agency instructions. New — An application that is being submitted to an agency for the first time.	12.	Funding Opportunity Number/Title: (Required) Enter the Funding Opportunity Number and title of the opportunity under which assistance is requested, as found in the program announcement.
	 Continuation - An extension for an additional funding/budget period for a project with a projected completion date. This can include renewals. Revision - Any change in the Federal Government's financial obligation or contingent liability from an existing obligation. If a revision, enter the appropriate letter(s). More than one may be 	13.	Competition Identification Number/Title: Enter the Competition Identification Number and title of the competition under which assistance is requested, if applicable.
	selected. If "Other" is selected, please specify in text box provided. A. Increase Award B. Decrease Award C. Increase Duration D. Decrease Duration E. Other (specify)	14.	Areas Affected By Project: List the areas or entities using the categories (e.g., cities, counties, states, etc.) specified in agency instructions. Use the continuation sheet to enter additional areas, if needed.
3.	Date Received: Leave this field blank. This date will be assigned by the Federal agency.	15.	Descriptive Title of Applicant's Project: (Required) Enter a brief descriptive title of the project. If appropriate, attach a map showing project location (e.g., construction or real
4.	Applicant Identifier: Enter the entity identifier assigned by the Federal agency, if any, or applicant's control number, if applicable.		property projects). For preapplications, attach a summary description of the project.
5a. 5b.	Federal Entity Identifier: Enter the number assigned to your organization by the Federal Agency, if any. Federal Award Identifier: For new applications leave blank. For a continuation or revision to an existing award, enter the previously assigned Federal award identifier number. If a changed/corrected application, enter the Federal Identifier in accordance with agency instructions.	16.	Congressional Districts Of: (Required) 16a. Enter the applicant's Congressional District, and 16b. Enter all District(s) affected by the program or project. Enter in the format: 2 characters State Abbreviation – 3 characters District Number, e.g., CA-005 for California 5th district, CA-012 for California 12th district, NC-103 for North Carolina's 103th district. It all congressional districts in a state are affected, enter
6.	Date Received by State: Leave this field blank. This date will be assigned by the State, if applicable.		"all" for the district number, e.g., MD-all for all congressional districts in Maryland.
7.	State Application Identifier: Leave this field blank. This identifier will be assigned by the State, if applicable.		If nationwide, i.e. all districts within all states are affected, enter US-all. If the program/project is outside the US, enter 00-000.
8.	Applicant Information: Enter the following in accordance with agency instructions:		
	a. Legal Name: (Required): Enter the legal name of applicant that will undertake the assistance activity. This is the name that the organization has registered with the Central Contractor Registry. Information on registering with CCR may be obtained by visiting the Grants gov website. b. Employer/Taxpayer Number (EIN/TIN): (Required): Enter the	17.	Proposed Project Start and End Dates: (Required) Enter the proposed start date and end date of the project.
	Employer or Taxpayer Identification Number (EIN or TIN) as assigned by the Internal Revenue Service. If your organization is not in the US, enter 44.4444444. c. Organizational DUNS: (Required) Enter the organization's DUNS or DUNS+4 number received from Dun and Bradstreet. Information on obtaining a DUNS number may be obtained by visiting the Grants.gov website. d. Address: Enter the complete address as follows: Street address (Line 1 required), City (Required), County, State (Required, if country is US).	18.	Estimated Funding: (Required) Enter the amount requested or to be contributed during the first funding/budget period by each contributor. Value of in-kind contributions should be included on appropriate lines, as applicable. If the action will result in a dollar change to an existing award, indicate only the amount of the change. For decreases, enclose the amounts in parentheses.
	Province, Country (Required), Country, State (Required, if country is US); Province, Country (Required), Zip/Postal Code (Required, if country is US). e. Organizational Unit: Enter the name of the primary organizational unit (and department or division, if applicable) that will undertake the	19.	Is Application Subject to Review by State Under Executive Order 12372 Process? Applicants should contact the State Single Point of Contact (SPOC) for Federal Executive Order 12372 to determine whether the application is subject to the

	f. m	sistance activity, if applicable. Name and contact information o atters involving this application: guired), organizational affiliation (if	f person to be contacted on Enter the name (First and last name affiliated with an organization other		State intergovernmental review process. Select the appropriate box. If "a." is selected, enter the date the application was submitted to the State
	th:	an the applicant organization), telep imber, and email address (Require atters related to this application.	phone number (Required), fax	20.	Is the Applicant Delinquent on any Federal Debt? (Required) Select the appropriate box. This question applies to the applicant organization, not the person who signs as the authorized representative. Categories of debt include delinquent audit disallowances, loans and taxes.
Q	T.	ype of Applicant: (Required)		21.	If yes, include an explanation on the continuation sheet. Authorized Representative: (Required) To be signed and
8	Se	ype or Applicant: (Required) Elect up to three applicant type(s) in structions.	accordance with agency	EI.	dated by the authorized representative of the applicant organization. Enter the name (First and last name required)
	A. B. C.	County Government City or Township Government	Nonprofit with 501C3 IRS Status (Other than Institution of Higher Education)		title (Required), telephone number (Required), fax number, and email address (Required) of the person authorized to sign for the applicant.
	D. E. F.	Regional Organization U.S. Territory or Possession	Nonprofit without 50103 IRS Status (Other than Institution of Higher Education)		A copy of the governing body's authorization for you to sign this application as the official representative must be on file in the applicant's office. (Certain Federal agencies may require
	G. H.	Public/State Controlled	O. Private Institution of Higher Education		that this authorization be submitted as part of the application.)
	1.	Institution of Higher Education Indian/Native American Tribal Government (Federally Recognized)	P. Individual Q. For-Profit Organization (Other than Small Business) R. Small Business		
	J.	Indian/Native American Tribal Government (Other than Federally Recognized)	Hispanic-serving Institution Historically Black Colleges and Universities (HBCUs)		
	K.	Tribally Designated Organization	Tribally Controlled Colleges and Universities (TCCUs) Alaska Native and Native		
	-	Public/Indian Housing Authority	Hawaiian Serving Institutions W. Non-domestic (non-US) Entity X. Other (specify)		
			v. sees (sheart)		

OPTIONAL CERTIFICATION

CDBG-R

Submit the following certification only when one or more of the activities in the action plan are designed to meet other community development needs having a particular urgency as specified in 24 CFR 570.208(c):

Where the urgent need is the current economic conditions, the grantee certifies that the activity is alleviating current economic conditions which pose a threat to the economic welfare of the community in which the activity is being carried out, the recipient is unable to finance the activity on its own, and other sources of funding are not available.

Signature/Authorized Official

June 17, 2009

Date

Anthony J. Preite Director

Montana Department of Commerce

Title